



DRIVERS RESPONSIBILITY FEES

September 11, 2017

Michigan's Drivers Responsibility Fees (DRF)

Passed by the legislature in 2003

- Generated ~\$100 million for State annually
- Assessed on top of existing traffic citation/crimes fee
- 2 categories of fines ranging from \$100 to \$1000 each year for two years depending on offense

Problems

Failure to pay -
license suspended

Regressive – adds
financial burden to
those already
struggling

No connection to
driver safety

Double
punishment

Bi-Partisan Support to Repeal

- Phase-out of law passed by legislature in 2014
 - Unanimous vote in House and Senate
 - Immediate phase out of certain assessments
 - Gradual reduction in assessments
 - Full phase out by Oct. 2019
- Community Service Alternative Payment
 - Only valid in 2015
- Fees assessed prior to Oct 2019 still subject to collection

Michigan's driver responsibility fee phaseout begins



Michigan Rep. Dan McHale (D-Michigan), left, and Kentwood District Court Judge William Kelly, center, shake hands in front of the Kentwood District Court on the first day of the phaseout of the Driver Responsibility Fee at Kentwood District Court on Oct. 2, 2015.



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KENTWOOD, MI - Getting a ticket in Michigan became a little less painful this week as the first phase of a three-year plan to eliminate the universally despised but highly profitable driver responsibility fee went into effect this week.



Statewide Impact

	Drivers	Total Owed	Average Assessment
State of Michigan	317,048	\$594.8 million	\$1,876
City of Detroit	76,472	\$124.7 million	\$1,629
Genesee County	15,707	\$31.6 million	\$2,010
Saginaw County	8,194	\$20.7 million	\$2,528
Kent County	21,228	\$48.1 million	\$2,267

Barrier to Employment and Economic Mobility

- **Personal vehicle essential to employment in Michigan/Metro Detroit**
 - Vast majority of Michiganders use personal vehicle to get to and from work
 - Over 115,000 Detroiters commute out of the city to work daily
 - Over 176,000 Metro Detroiters commute into the city for work daily
- **High Insurance rates/unpaid fees compound issue** : most frequent assessments tied to lack of insurance or revoked license
- **Training agencies struggle to help jobseekers**
 - Few sources of funding to pay off fees for job seekers
 - 70% of individuals coming through Detroit/MDOC prison training program have an outstanding drivers responsibility fee
- **Personal Bankruptcy is often only option**

How can we...

- Provide alternative means of payment
- Allow drivers to earn their way out of these fees
- Provide community benefit
- Give credit to individuals attempting to better themselves

Proposed Legislative Changes

☐ Reinstate community service payment program

- 10 hours of community service eliminates 1 DRF assessment
- Senate Bill 214 (Sen. Hood)

☐ Create a workforce training payment program

- 10 hours of workforce training (with completion of the training program) eliminates 1 DRF assessment.
 - In this example a 20 hour training would eliminate 2 fee assessments
- Eligible training could be authorized through Local Workforce Development Boards, Michigan Works! Agencies or Michigan Department of Corrections training programs.

☐ Expand eligibility for alternative programs

- Example: Driving With License Suspended/Revoked/Denied (DWLS) and No Insurance Under the Insurance Code/No Proof of Insurance